

GENEVA *Watch*

AN OVERVIEW OF THE WTO NEGOTIATIONS ON AGRICULTURE



MC14 Decisions Postponed to July GC Meeting

The first General Council meeting following the unsuccessful 14th WTO Ministerial Conference (MC14) took place on May 6-7, providing Members with an opportunity to revisit and potentially conclude the unresolved elements of the Yaoundé Package. However, the draft agenda circulated on May 4 already suggested that substantive decisions on the outstanding MC14 issues would likely be postponed. Ultimately, discussions confirmed that Members were not yet prepared to reach consensus.

The main development that emerged from the meeting was Türkiye's announcement that it would no longer oppose a temporary extension of the moratorium on customs duties for electronic commerce. Brazil, however, maintained its opposition to the current proposal, remaining the sole Member preventing consensus on the extension of the e-commerce moratorium.

Brasília continues to advocate for a renewable extension limited to a maximum of two years, while signalling openness to reconsider its position should Members demonstrate a genuine commitment to advancing substantive agricultural negotiations.

On May 7, Brazilian President Luiz Inácio Lula da Silva announced, following discussions with US President Donald Trump, the establishment of a bilateral working group aimed at addressing tariff-related issues. According to several observers, this renewed dialogue between Washington and Brasília could help ease tensions surrounding the moratorium negotiations and potentially remove one of the principal obstacles to consensus.

US pushes for plurilateral approach

The US reiterated its position that plurilateral negotiations represent the most effective path forward for achieving meaningful outcomes at the WTO. US Ambassador to the WTO Joseph Barloon argued that the inability to secure consensus on the Yaoundé Package highlighted the limitations of the multilateral negotiating framework. In his view, future progress within the WTO is more likely to emerge through plurilateral initiatives among willing Members.

In line with this approach, the US introduced a joint declaration supported by 21 WTO Members, committing to continue refraining from imposing customs duties on electronic transmissions among themselves. The wording of the declaration suggests the establishment of preferential arrangements limited to participating Members.

The signatories include Argentina, Australia, Costa Rica, Ecuador, Guatemala, Iceland, Israel, Japan, the Republic of Korea, Malaysia, Mexico, New Zealand, North Macedonia, Norway, Panama, Paraguay, Peru, Singapore, Taiwan, the United States, and Uruguay. Notably, Canada, the European Union, Switzerland, and the United Kingdom did not join the initiative.

Nevertheless, EU Trade Commissioner Maroš Šefčovič described the declaration as a positive step toward preserving stability in the current trading environment and indicated that the EU remained open to alternative arrangements if they constitute a step towards their multilateral objective.

Ambassador Barloon further stressed that the US reform agenda and plurilateral initiatives on e-commerce should not be interpreted as closing the door to multilateral engagement. However, he underscored that Washington was

unwilling to wait indefinitely for consensus among all WTO Members before advancing solutions deemed necessary by its stakeholders. “We look forward to working with other Members on these important issues,” Barloon said.

G7 Trade Ministers back plurilateral initiatives

At their meeting in Paris on May 5-6, G7 Trade Ministers issued a joint statement expressing regret over the absence of substantive outcomes at MC14 and calling for reforms that would enable the WTO to respond more effectively to evolving global trade realities and Members’ interests.

The statement also recognized the important role that plurilateral initiatives can play in advancing negotiations on issues of common interest and reaffirmed support for a permanent moratorium on customs duties on electronic transmissions.

“We call for constructive discussion at the WTO to drive meaningful reform. We acknowledge the agreed upon rules in the WTO are key to facilitating global trade. We underline the valuable role plurilateral initiatives can play in advancing progress on issues relevant to Members,” the statement reads.

Looking ahead to the July General Council

In the coming weeks, the newly appointed Chair of the WTO General Council, New Zealand Ambassador Clare Kelly, is expected to conduct consultations with Members regarding possible next steps on WTO reform, the e-commerce moratorium, and other unresolved MC14 issues. She is expected to report back to the full membership no later than the July General Council meeting.

The US has encouraged the Chair to launch a new Member-driven reform process building on previous discussions, while reiterating its intention to continue working with like-minded Members “who have a real interest in improving the WTO through concrete actions” in the meantime.

Geneva Watch is published monthly by Dairy Farmers of Canada, Chicken Farmers of Canada, Turkey Farmers of Canada, Canadian Hatching Egg Producers, and Egg Farmers of Canada to report on the various events occurring in Geneva, especially on agriculture.

For more information or comments, please visit:

dairyfarmers.ca, chickenfarmers.ca, turkeyfarmersofcanada.ca, chep-poic.ca eggfarmers.ca

Legal Deposit: National Library of Canada, ISSN 1496-9254

